

RECORDATION NO. 21401 FILED

BALL JANIK LLP

A T T O R N E Y S

MAY 13 '98

12-28 PM

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

LOUIS E. GITOMER
OF COUNSEL
(202) 466-6532

lgitomer@bjllp.com

May 13, 1998

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed the original and one certified copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease Agreement (Series A), a primary document, dated as of May 13, 1998. We request that this document be given the next available Recordation Number.

The names and addresses of the parties to the Memorandum of Lease Agreement (Series A) are:

Lessor:

LaSalle National Leasing Corporation
502 Washington Avenue
Towson, MD 21204

Lessee:

Illinois RailNet, Inc.
2350 Airport Freeway, Suite 230
Bedford, TX 76022

A description of the equipment covered by the Memorandum of Lease Agreement (Series A) consists of two B-23-7 locomotives numbered IRN 6 and 7 (formerly numbered LRCX 3972 and 4001, respectively).

BALL, JANIK LLP

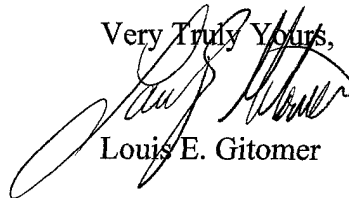
Honorable Vernon A. Williams
May 13, 1998
Page 2

A fee of \$ 26.00 is enclosed. Please return the original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement (Series A) between LaSalle National Leasing Corporation, 502 Washington Avenue, Towson, MD 21204, and Illinois RailNet, Inc., 2350 Airport Freeway, Suite 230, Bedford, TX 76022, covering two B-23-7 locomotives numbered IRN 6 and 7 (formerly numbered LRCX 3972 and 4001, respectively).

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over the typed name.

Louis E. Gitomer

Enclosures

MAY 13 '98

12-28 PM

MEMORANDUM OF LEASE AGREEMENT (SERIES A)

dated as of May 13, 1998

between

ILLINOIS RAILNET, INC.

as Lessee,

and

LASALLE NATIONAL LEASING CORPORATION

as Lessor

**FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301
on May __, 1998 at __: __ .m.**

MEMORANDUM OF LEASE AGREEMENT (SERIES A)

THIS MEMORANDUM OF LEASE AGREEMENT (SERIES A) is made and entered into as of May 12, 1998, by and between LASALLE NATIONAL LEASING CORPORATION ("Lessor"), and ILLINOIS RAILNET, INC. ("Lessee"), with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, the locomotives described on Schedule A attached hereto.

All of such locomotives are more fully described in that certain Equipment Lease Agreement dated as of May 12, 1998, and Equipment Schedule No. A-1 thereto, incorporating the terms thereof and dated as of May 13, 1998 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee.

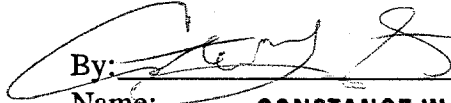
2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

This Memorandum of Lease Agreement (Series A) may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

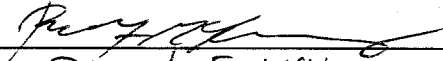
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement (Series A) to be executed as of the date first above written.

LASALLE NATIONAL LEASING CORPORATION

By: 
Name: CONSTANCE W. LANCASTER
Title: VICE PRESIDENT

CAMAS PRAIRIE RAILNET, INC.

By: 
Name: Robert F McKenney
Title: Chairman & CEO

STATE OF MARYLAND)
) ss.
COUNTY OF BALTIMORE)

On this 3rd day of May, 1998, before me appeared Constance W. Lancaster, the person who signed this instrument, who acknowledged that (s)he is the Vice President of LASALLE NATIONAL LEASING CORPORATION and that, being duly authorized, (s)he signed such instrument as a free act on behalf of said corporation.

[Seal] REGINA M. MCMANUS
NOTARY PUBLIC
BALTIMORE COUNTY

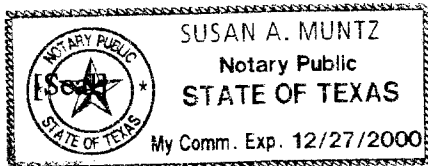
Regina M. McManus
Notary Public

My commission expires:

10/29, 2000

STATE OF Texas)
) ss.
COUNTY OF Tarrant)

On this 13th day of May, 1998 before me appeared Robert F. McKenney, the person who signed this instrument, who acknowledged that the is the Chairman and Chief Executive Officer of ILLINOIS RAILNET, INC. and that, being duly authorized, he signed such instrument as a free act on behalf of said corporation.



Susan A. Muntz
Notary Public

My commission expires:

12/27, 2000

**SCHEDULE A TO MEMORANDUM
OF LEASE AGREEMENT**

Description

Reporting Mark

LASALLE NATIONAL LEASING CORPORATION

SCHEDULE OF EQUIPMENT

Lessee: IL RAILNET, INC.

Approved By: _____
(Lessee to initial each page)

Attached to Bill of Sale dated _____

19 _____

and/or

Equipment located at:

208 W. Main Street

Street No.

Equipment Schedule No.

A-1

Ottawa

LaSalle

IL

61350

City

County

State

Zip

Manufacturer and/or
Vendor Name & Invoice No.

Description

Livingston Rebuild Credit

1

- Model B23-7 locomotive bearing reporting mark
IR6 (formerly known as LRCX 3972)

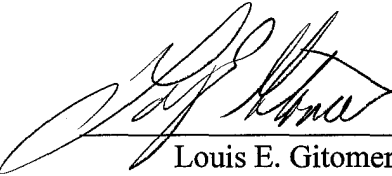
Invoice No.: 4059

1

- Model B23-7 locomotive bearing reporting mark
IR7 (formerly known as LRCX 4001)

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Memorandum of Lease Agreement (Series A) dated as of May 13, 1998, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over a horizontal line.

Louis E. Gitomer

May 13, 1998